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SUBJECT: GRENADA WEEKLY ACTIVITY REPORT: FEBRUARY 8 - 14, 2009

¶1. Embassy Grenada's weekly report (GWAR) provides a little detail about events of interest that do not merit longer reporting at this time.

¶2. Begin GWAR text:

a. Grenada Ranked 84th in Ease of Doing Business

Grenada has dropped from 63rd place in 2006 to 84th in the latest ranking in the World Bank's ranking of ease of doing business report. A visiting World Bank team drew attention to the drop in a February 10 presentation during a public "Doing Business Reform" meeting at the Grenada National Cricket stadium. The WB recommended a number of steps the government could take to improve ease of doing business in Grenada, including an overloaded and understaffed legal system and poor case management within the ministries.

b. Finance Minister Proposes an Unemployment Benefit Program

Nazim Burke announced that the government wants to institute an aggressive strategy of providing training opportunities to deal with projected unemployment of 30 percent. Burke also suggested that the National Insurance Scheme (NIS) tap into the over US\$222 million it holds to provide short-term unemployment benefits to laid off workers. Chester Humphrey, Senator for Labor, immediately condemned the idea.

c. A Difficult Summer Ahead

According to the Senate representative for the private sector, Senator Christopher DeAlli, the summer will be a difficult period as the economic crisis continues, with tourist arrivals continuing their downward trend, remittances decline, and foreign direct investment dries up.

Nearly all foreign investment projects in Grenada have already been halted. Retail and construction spending has dropped as the purchasing power of the average Grenadian has dropped. Grenada's hotel sector is feeling the pinch as well with some hotels report good occupancy rates and others report little or none at all.

d. Break Dance Controversy Continues

Grenada's breakdancing police corporal continues to generate controversy. Church and civic organizations strongly condemned the star turn as inappropriate for the solemn celebration of independence and performing, as well as being "foreign". Locals have also accused the police band for performing "non-Grenadian" pieces.

End text.

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